Appendix C - 2004 Metrics and Measures

Metrics and Measures – 2004 End of the Year Report

This appendix contains the results of the Michigan Department of Information Technology's (MDIT) annual analysis of the status of IT strategic planning metrics and measures. The annual report was last updated in January 2005. The next annual report will reflect the additional metrics and measures detailed in the 2006 Michigan IT Strategic Plan.

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Goal 1

Expand Michigan's services to reach anyone at anytime from anywhere

Major Accomplishments

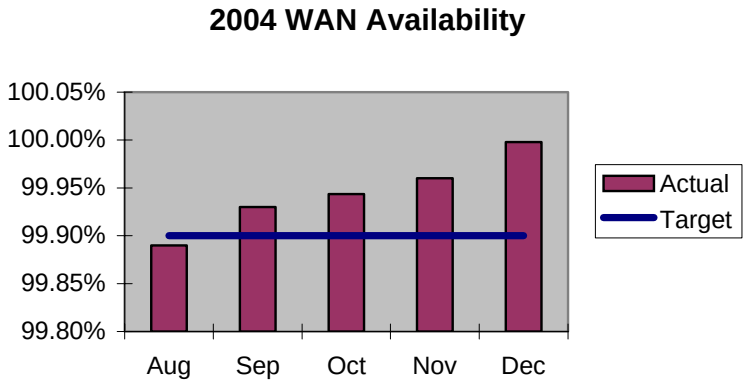
The Michigan Department of Information Technology (MDIT) recognizes the increasing demands Michigan residents are expecting of state government. It is MDIT's goal to provide safe and secure access to government services to reach anyone at anytime from anywhere. The State of Michigan has been a leader among the states in achieving this goal. With over 70% of Michigan residents using the Internet every year, MDIT has partnered with its clients to make government services more accessible by adding 45 new online services this year alone. MDIT has made these services available to citizens and businesses 24 hours a day, 7 days a week, by allowing not a single hour of Michigan.gov downtime in over two years. Additionally, through a collaborative partnership with SBC Communications in the fall of 2004, MDIT implemented the MiWiFi project which has placed wireless access points at ten Michigan state parks, welcome centers, and rest areas for citizens.

Goal 1 Metric and Measure Analysis

Michigan is currently on-target or has met 70% of the metrics and measures defined in the Michigan IT Strategic Plan for goal 1. An overview of each of these measures and their current status follows.

99.9% uptime for State of Michigan wide area network (WAN) every year

Since MDIT began to measure the wide area network (WAN) in August of 2004, the State of Michigan has seen significant improvement to the WAN uptime. Reporting for this metric is documented and measured by SBC Communications.

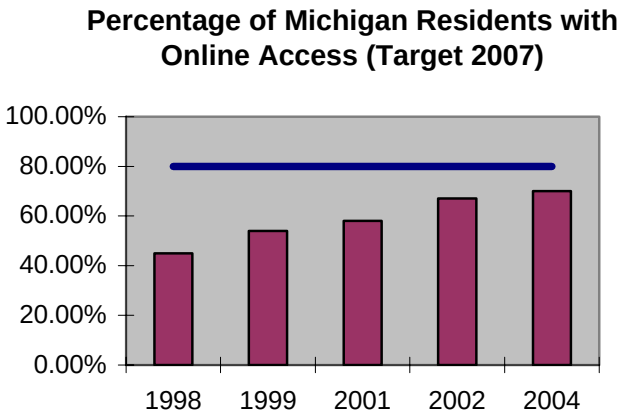


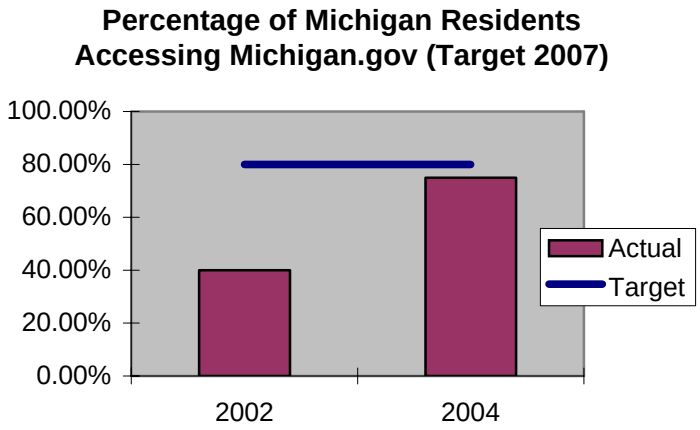
Asset management system will auto discover 90% of all IT assets within the state and link with the state's financial system by 2005

The MDIT's Asset Management product implementation began in August of 2004. Asset data has been captured and will be cleansed and validated throughout 2006.

Online services accessible to 80% of Michigan residents by 2007- even those who do not own computers

This metric was assessed by analyzing the 2004 CyberMichigan *Survey of Information Technology in Michigan* in which randomly-sampled Michigan residents were surveyed to explore the role information technology plays in their lives. The following information was taken from the survey:





A full suite of state services available online by adding a minimum of five (5) additional online services each year

The State of Michigan has sought to make government services more accessible to citizens through the use of the World Wide Web. In 2004, 45 new online services were added to the Michigan.gov Web portal. Thirty-one (31) were added in the first three quarters of 2005.

Examples of the services added include: Be Your Own Boss, Traffic Crash Purchasing System, Protect MI Child Registry, and Prescription Drug Pricing.

Broadband services available to more than 70% of Michigan citizens and businesses by 2007

Since the release of the 2004 Michigan IT Strategic Plan, Governor Granholm has charged the Michigan Broadband Development Authority (MBDA) that all Michigan residents will have affordable broadband access by the end of 2007. Current reports indicate that 89% of Michigan residents have access to cable modem service. However, this service can be too costly for Michigan residents. As a result, MBDA is working to lower costs by assisting more companies to offer broadband services throughout the state, increasing competition and decreasing costs. To date, MBDA has assisted 45 of Michigan's 83 counties decrease broadband costs.

Wireless infrastructure in place for Michigan government by 2007

As of January 2005, MDIT is able to offer state agencies the ability to use wireless capabilities in all MDIT Telecommunications and Network Management "Smart Buildings" as a rated service.

Statewide initiatives compliant with privacy audits at 90% by 2007

MDIT and its clients have chosen to allocate scarce resources to the highest priority tasks. Consequently, the focus of efforts has shifted from the completion of privacy audits to other measures that better help ensure the security of state systems and information.

Comprehensive statewide technology disaster recovery plan for critical systems finalized by 2007

MDIT is working closely with statewide business continuity planning efforts to ensure that IT systems and assets are secured for all eventualities. Resource constraints have slowed other projects related to this metric. This target will be reevaluated during the planning phase for the 2006 Michigan IT Strategic Plan.

90% of all intrusions and viruses are repairable within 2 hours

Attacks on the State of Michigan network and computers through viruses and Trojans increased by over 800% from 2003 (894,224 attempts) to 2004 (7,887,253 attempts). As a result of these increasingly common attacks, MDIT has taken steps to ensure the safety and reliability of our state's network. Currently, MDIT's Office of Enterprise Security (OES) is able to stop approximately 99.94% of all viruses and Trojans instantaneously. And, in 2005, this will only get better as OES implements additional measures to proactively improve the state's security. In January, 2005 OES implemented SurfControl and SPAM filtering. In July, 2005 OES will gain the ability to determine the second a virus attacks a state computer to ensure quick response time in removing viruses from state computers.

Statewide enterprise systems certified and accredited for proper security controls by 2006

Funding for security control certification and accreditation has been shifted to addressing higher priority security concerns. This target will be reconsidered for its priority in the next Michigan IT Strategic Plan.

Goal 2

Transform Michigan services through sharing and collaboration

Major Accomplishments

MDIT strives to enhance government services and cut costs by streamlining new and leveraged solutions for the State of Michigan. This approach has enabled MDIT to save the State of Michigan over $100 million dollars since its creation while reducing total staff by over 34%. The use of technology in agency initiatives has enhanced Michigan's ability to cut red tape, share information, and save time. For example, the Department of Human Services (DHS) stated that due to its use of technology in their child support collections, DHS was able to improve cost effectiveness by 13% and boost the overall average collection of DHS workers from $479,200 in 2003 to $536,362 in 2004. The implementation of MiTAPS has enabled state government to cut the time required to issue business permits. Specifically, the State of Michigan has been able to cut the time it takes small business to file unemployment taxes from 6 weeks to 24 hours or less – a 2400% efficiency gain

Goal 2 Metric and Measure Analysis

Michigan is currently on-target or has met 63% of the metrics and measures defined in the Michigan IT Strategic Plan for goal 2. Additionally, for this goal, MDIT is currently reassessing the remaining metrics to ensure they represent proper and realistic measures. Below you can see an overview of each of these measures and their current status.

Increase the number of data sharing agreements 25% by 2005

Priority has shifted from pursuing the multiple, independent data sharing agreements considered in the development of this target. MDIT is now focusing on pursuing the development and implementation of an enterprise data sharing and integration plan.

MDIT Information Officers are included in departmental strategic and technology planning by 2004

Information officers (IOs) are the strategy-level liaison between MDIT and our clients. They ensure that the technology direction of the State of Michigan directly aligns with the business needs and direction of every state agency. MDIT ensures the success of this alignment through active participation in the Cabinet Action Plan, Michigan Information Technology Executive Council (MITEC), Budgeting for Outcomes planning process, and participating in state agency executive management meetings.

25% of redundant system hardware is reduced or eliminated by 2007

The State of Michigan currently has identified approximately 3,000 distributed servers throughout the State. It is MDIT's goal to centralize and consolidate these servers into one of three data centers in Lansing. To-date, MDIT has been able to work with other agencies to move 1,123 servers into one of the three data centers, eliminating redundant hardware such as backup equipment and network connections.

In the 2006 planning cycle, this measure was reassessed and it was determined that by 2008, MDIT will migrate or eliminate 1,000 servers from remote data centers through centralization and consolidation in one of the three hosting centers.

95% of strategic initiatives use targeted products and architectures in 2005

Product and architecture standards have been published online and communicated to vendors as of February,2005. MDIT is currently identifying all products and architectures being used by its strategic initiatives.

Additionally, MDIT has launched the Horizon Program, a supplier outreach and education effort designed to help technology suppliers partner with the State of Michigan. This program implements a more effective process for state business partners to market their IT services and improves the ways in which the state can evaluate the potential of emerging technologies.

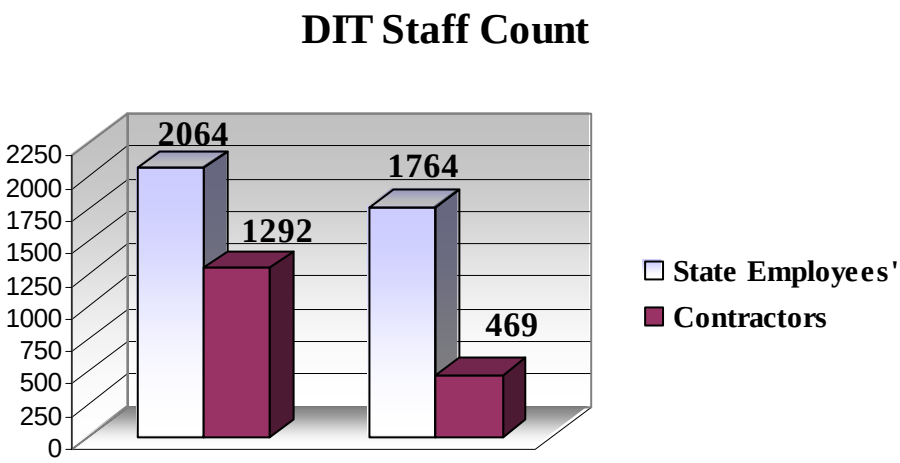
Increased sharing of data, systems, infrastructure, and applications resulting in a 20% increase in efficiency by 2005

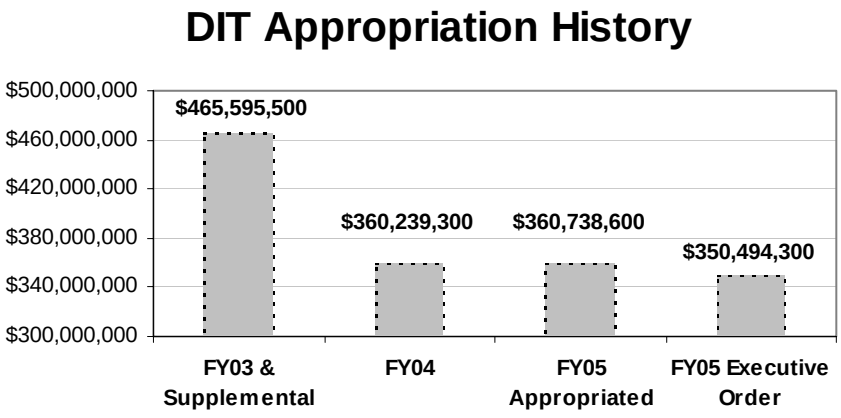
MDIT has accomplished this metric at three levels:

- Overall Savings (FTE count reductions and overall spend reductions)
- A reduction in state errors and a decrease in time
- Specific initiatives leading state government to increased efficiency

- **Overall Savings**

15% Reduction of State Employees
64% Reduction of Contractors
34% Total Staff Reductions





Total IDG spend budget reduction: $115,101,200

- **The following technology-aided initiatives have led to increased efficiency throughout the State of Michigan**

Department of Treasury – e-filing
- The Department of Treasury has increased the number of tax returns processed through e-filing by 56% from 2003 (1.551 million returns) to 2004 (2.426 million returns).

e-Michigan – Michigan.gov services
- Citizens have increased their use of Michigan.gov online services; in 2004 the average was 861,127 pages viewed per day, an increase of 19% from 2003.
- 5,362 professional licenses were renewed and paid online in March 2004, a 103% increase as compared to the monthly average of 2,254 in 2003.
- 45,056 vehicle registration renewals were completed monthly on average in 2004, an 80% increase as compared to approximately 25,000 monthly completed in 2003.
- Employer use of the Michigan Talent Bank is evidenced by the 39,000 available job openings posted on the site and 640,000 active resumes (1/31/2005).
- Internet filed unemployment claims have increased from a monthly average of 8,360 in 2003 to 20,342 in 2004

Michigan State Police – Crash Process Redesign (CPR)
- The CRASH system will save the State of Michigan $4.6 Million over the next three years. This system will provide more data for law enforcement and engineering personnel.

Michigan Timely Application and Permit Service (Mi-TAPS)
- Mi-TAPs makes Michigan a better place to do business by reducing the time it takes businesses to obtain permits and licenses.
- On average, complicated permitting processes went from taking 720 days to complete to 210 days.
- It used to take 6 weeks for a Michigan small business to register and pay unemployment taxes; now it can be completed in 24 hours or less.

Link MI Contract
- MDIT reduced the State of Michigan's telephone costs by $2,305,962 (13.78%) in 2004.

Department of Human Services – Food Assistance Program (FAP)
- Through the use of technology, DHS improved its error rate and avoided $38 million in federal fines.

Department of Civil Service - MI-HR Self Service
- The MI-HR Service Center website is estimated to save the State of Michigan $20 million over the next 5 years.

The Department of Management and Budget - MI-DEAL Website
- MDIT enabled 575 not-for-profit agencies and local units of government the ability to gain economies of scale through utilizing the State of Michigan's purchasing contracts. This is a 79% increase from 2003.

The Department of Human Services – Child Support Enforcement System

- DHS improved cost effectiveness by 13%, boosting the overall average collection by DHS workers from $479,200 in 2003 to $536,362 in 2004.

10% increase in application development and maintenance efficiency by 2005

MDIT decreased maintenance costs in 2004 by 16% and saved the State of Michigan $9.8 million dollars.

Complete 90% of messaging consolidation by 2005

The centralized infrastructure design is complete and piloted. All GroupWise post offices are the same version; all state agencies (except for Transportation and Civil Rights) are on the same address book; and 16,000 mailboxes are in process of being moved to a centrally hosted environment.

All defined "major" mission critical applications will have 99.9% server availability by 2004

MDIT has identified all agency critical applications and will complete its enterprise monitoring initiative in the spring of 2006. Enterprise monitoring will provide the state performance metrics, such as server uptime for all applications that can be included in service level agreements. However, the priority of other projects that affect this metric has fallen. As a result, this metric has been reassessed and MDIT will be able to ensure that all mission critical applications in the hosting centers will have 99.9% server availability.

Goal 3

Manage technology to provide better service and faster delivery

Major Accomplishments

MDIT ensures that all technology solutions are managed effectively to provide better service and faster delivery. It is MDIT's purpose to add value to the State of Michigan. To date, quality control processes have been put into place to build client trust, fix operational issues, empower employees, and "break down silos." Specifically, MDIT is able to ensure that all strategic-level projects are managed effectively by utilizing a monthly dashboard report mechanism to track progress, roadblocks and accomplishments. This tool has resulted in initiatives being delivered 79% on-time, 90% on-budget, and 96% in-scope. Finally, MDIT is ensuring the true value of all technology solutions by requiring all strategic-level projects and purchases be justified with a business case and return on investment analysis.

Goal 3 Metric and Measure Analysis

Michigan is currently on-target or has met 100% of the metrics and measures defined in the Michigan IT Strategic Plan Goal 3. An overview follows of each of these measures and their current status.

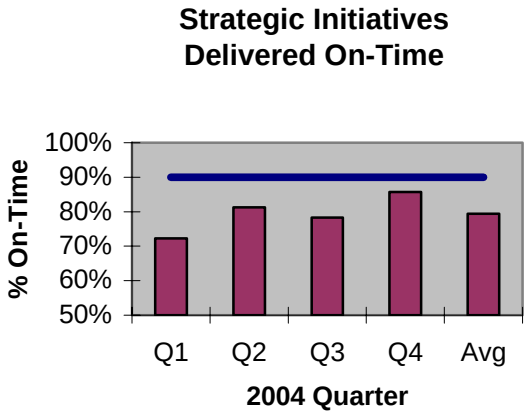
Governance process implemented statewide to enforce accountability and support project targets by 2004

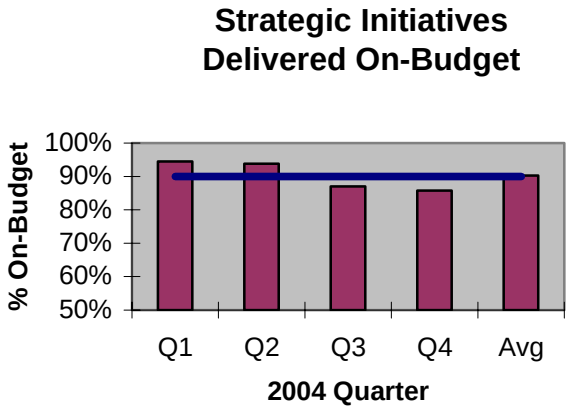
A governance process in MDIT was launched in July, 2004 that provides a formal escalation path to remove barriers, reports on progress of strategic initiatives in yellow or red status, management coordination and employee accountability.

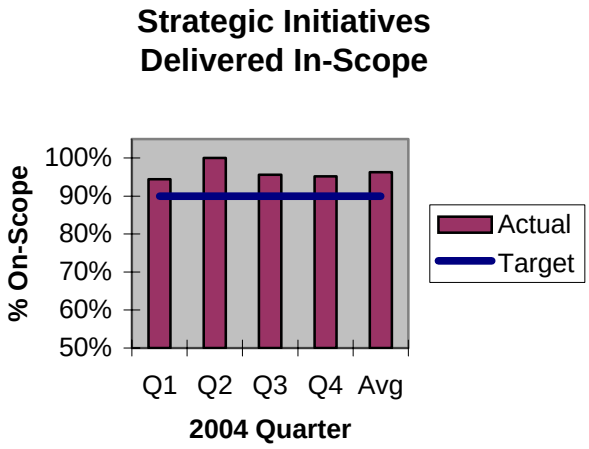
Quality control procedures in place and used consistently by 2004

The following quality control procedures in place: Governance, project board/resource planning meetings, e-Michigan review process, project dashboard reporting, targeted selection hiring, skills assessment, product standards, service level agreements, leadership forums, service delivery team meetings, IT security standards, metrics and measures, and a State of Michigan IT Strategic Plan.

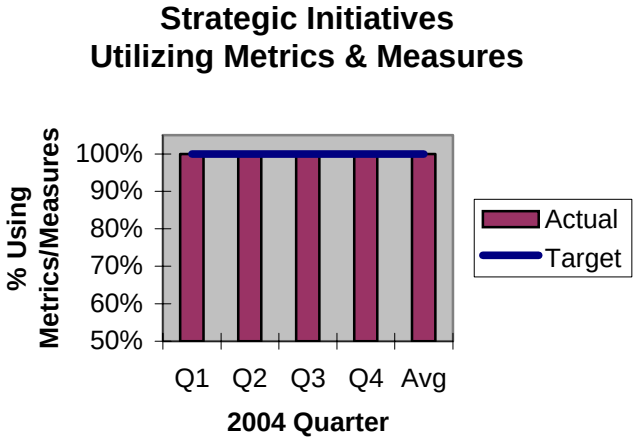
90% of strategic initiatives delivered on time, on budget, and in scope in 2005







Metrics and measures developed and in use for 100 % of strategic initiatives by 2004



Each strategic initiative will have a departmental sponsor and an IT project manager by 2004

MDIT requires that every strategic initiative has a departmental sponsor and IT project manager before project kick-off.

All Departments will have signed service level agreements by 2004

All departments have signed service level agreements effective January 18, 2005

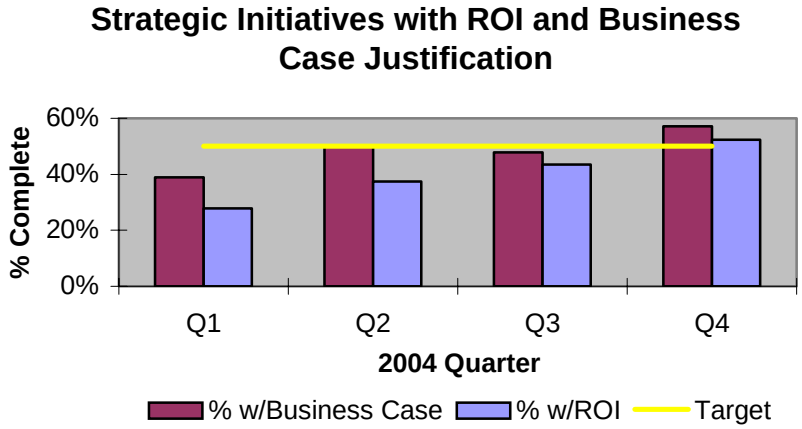
Develop recommendations for a revised IT Funding Model for MDIT by 2004

In 2004, MDIT recommended a revised IT funding model to the Office of the State Budget (OSB). This funding model was rejected, and MDIT is continuing to work with OSB to ensure a more effective IT funding model is developed for the State of Michigan.

18 month operations plan, 3 year strategic plan, 5 year technology trend horizon and staff development plan are integrated by 2005

MDIT has an 18-month operational plan that is integrated with the three-year IT strategic plan (both have rolling horizons). Both plans support agency business plans and the Cabinet Action Plan and are being integrated with the outcome budget process under development. MDIT systematically and routinely tracks IT trends, best practices and innovations, using a three to five year (3 - 5) year horizon. MDIT has developed guidelines for technology planning and management, which are continually being refined. MDIT staffs a NASCIO project identifying trends, innovations and best practices (IT, management and process design/redesign) that can support major business and customer service areas (e.g. health, economic development, environment, education, etc). The products of this activity will be utilized in the next Michigan IT planning cycle.

50% of all strategic technology initiatives are justified with business case and return on investment by 2004; 100% by 2005



IT investment standard adopted, aligning today's IT purchases with state policies and customer needs by 2004

IT product standards were published in January, 2005. Use of these standards is mandatory, and an exception process is available. Currently, MDIT uses the Michigan Master Computing Contract (MMCC) when purchasing commodities, and a committee reviews exceptions requests. In 2004, 94.19% of all systems purchased were standard.

Goal 4

Make Michigan a "Great Workplace" and the employer of choice for technology professionals

Major Accomplishments

MDIT is taking strides in making the State of Michigan a "Great Workplace" and employer of choice for technology professionals. In 2004, MDIT has implemented many new employee recognition programs to empower employees, increased the number of online training courses to provide free training during tough budget-times, put approximately 250 MDIT employees through the novice project management certification program, and has listened to the concerns of MDIT employees at quarterly town hall meetings where every employee has the opportunity to listen to and ask questions of Director Takai.

Goal 4 Metric and Measure Analysis

Michigan is currently on-target or has met 80% of the metrics and measures defined in the Michigan IT Strategic Plan for goal 4. An overview follows of each of these measures and their current status.

Competencies identified for all job roles within MDIT by 2005

In 2004, curriculum teams identified all competencies for each job role within MDIT. The curriculum team is working to identify competencies for each of the 60 job roles they identified.

A formal employee development curriculum for MDIT managers and employees implemented by 2005

In 2004, MDIT developed a formal professional development strategy as well as various curriculums. Curriculums will be living documents, changing as MDIT evolves over time. In the future, MDIT will align specific technical training to job roles. However, almost 600 technical courses are now available to choose from. The leadership strategy is on target for 2005.

Technology standards and education strategy published by 2005, allowing employees to focus training efforts on future-oriented core technical skills

Technology standards were published in January, 2005. Additionally, MDIT is in the process of finalizing a training and education schedule that aligns to the published technology standards.

Increase usage of internships by 15% in 2004

Due to continued department-wide staffing reductions, MDIT was unable to meet this metric. As of the last quarter in 2004, MDIT had approximately 17% fewer internships than in 2003. MDIT hopes to offer more opportunities to students throughout the State of Michigan.

Employee satisfaction improved as evidenced by feedback in town hall meetings and surveys

Every six months, the MDIT conducts a series of town hall meetings across the state in an effort to reach out to all MDIT employees. Director Takai facilitates the town hall meetings, and various members of her executive team accompany her to each meeting. The purpose is to share departmental news and to allow MDIT employees to ask questions of the director and executives. It is an open and honest forum where the director will respond to anything the employees want to discuss. The first few rounds of town hall meetings conducted in 2003 resulted in questions that focused on employee dissatisfaction with the formation of MDIT and employee frustration with operational issues within MDIT. During the most recent round of town hall meetings conducted in October of 2004, the questions and comments were much more positive in nature. The pay for performance issue, once the major topic of concern, is now resolved. In the year to come, MDIT plans to implement a formal survey of the town hall meetings attendees to ensure a quantitative analysis of employees' satisfaction.

Goal 5

Create a statewide community of partnerships

Major Accomplishments

MDIT is looking beyond standard state IT roles and responsibilities and reaching to define partnerships between citizens, local governments, educational institutions, and businesses. MDIT believes by developing these synergies, Michigan will be able to question old methods and practices. In 2004, MDIT made strides to make this vision a reality. Through the newly-created Office of Technology Partnerships (OTP), MDIT has enabled approximately 200 not-for-profit agencies and local units of government the ability to gain economies of scale through utilizing the State of Michigan's IT purchasing contracts. Additionally, this year, MDIT hosted its second nationally-recognized "Michigan Digital Government Summit." This two-day event provided opportunities for public and private sector IT organizations to exchange ideas and learn about new and innovative technologies.

Goal 5 Metric and Measure Analysis

Michigan is currently on-target or has met all metrics and measures defined in the Michigan IT Strategic Plan for goal 5. Below you can see an overview of each of these measures and their current status.

Partner to establish two (2) cross-governmental technology forums, seminars or conferences each year.

In 2004, OTP reached out to other governments through the State and Local Government Collaboration meeting (August, 2004) and the Michigan Digital Government Summit (October, 2004).

10% increase in number of local governments using state master purchasing contract by 2005.

In 2004, local government participation increased in both the number and volume of purchases. Total purchases by local units of government and other non-profit organizations via the state's master IT purchasing contract grew from $8.9 million to $14.3 million. Approximately 200 separate organizations participated, completing more than 400 transactions.

10% increase in number of universities using state master purchasing contract by 2006.

OTP is on-target and working diligently to ensure this metric is met by 2006.

Create two (2) new forums for engaging private sector knowledge to help solve the state's technology challenges by 2004.

OTP created several forums to engage private sector knowledge. Two of these include NOREX (May, 2004) and Cyber-State Advisory Council (Spring 2004).

Create a local government technology collaboration group by 2004

OTP created three state and local government collaboration sub-groups that include: communications sub-group, security sub-group, and local websites sub-group.

Participate in National Association of State CIO's (NASCIO).

MDIT feels its role in NASCIO has been influential in developing robust centralized IT department for the State of Michigan. Currently, MDIT membership in NASCIO includes:

Government and Transformation
George Boersma (Vice Chair)
Andris Ozols

Programs
George Boersma

Awards
Andris Ozols

Information Security
Teri Takai (Vice Chair)
Dan Lohrmann

Implement 2 new, cross-government projects each year.

MDIT has implemented many cross-government projects in 2004. Specifically, MDIT has implemented MiWiFi, Wayne County - Connecting the Partners, MPSCS radio system, and Family Resource Centers.